

CITY OF OAKLAND

AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2011 SEP - 1 PM 5:12 the City Administrator

ATTN: Deanna J. Santana

FROM: Community and Economic Development Agency

DATE: September 13, 2011

RE: An Informational Report On The Options and Feasibility Of Selling the
Montclair And Lake Chabot Golf Courses

SUMMARY

This informational report provides an update as requested by the Finance and Management Committee during its May 10, 2011 discussion on this subject. The purpose of this updated report is to offer evaluation options and feasibility regarding the sale of the City-owned Montclair and Lake Chabot Golf courses. The potential sale of the subject properties may generate revenue for the General Fund and could reduce the burden of maintenance and management of the properties in the future. The subject properties are under management by the City of Oakland Parks and Recreation Department (OPR).

FISCAL IMPACT

This is a preliminary discussion for budgetary purposes. Actual fiscal impacts will depend on future actions which may be directed by the Council.

KEY ISSUES AND IMPACTS

The purpose of this updated report is to offer evaluation options and feasibility regarding the sale of the City-owned Montclair and Lake Chabot Golf courses. The Real Estate Division has limited property data and records on these two assets, as the division lost some of its historical property records in the 1989 earthquake. In order to complete property record research, resources would need to be allocated to pay for title abstract and deed research. The City has worked with a local title company on a pro bono basis to provide basic information regarding history and recorded information for these properties. Below is an update of staff's investigation, as well as information that the Council would need to make an informed decision on the two golf courses.

The following actions have been taken by Real Estate staff since the May 2011 Finance and Management committee meeting:

1. Legal Opinions: The City Attorney's Office secured outside counsel, Burke, Williams and Sorensen, LLP, to review the property deed restrictions on the two golf courses and to provide advice to the City on whether the deed restrictions may be terminated or removed. This review is in progress and is attorney – client privileged.

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Finance and Management Committee
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2. **OSCAR / Land Use Development:** City Real Estate Staff reviewed the Open Space Conservation and Recreation (OSCAR) land use and development requirement, both with City Attorney's office and Planning Department. OSCAR established a no-net loss policy with regard to open space in the City's park system: OSCAR policy REC-1.2, No Net Loss of Open Space, states that unless overriding considerations exist, no net loss of open space is allowed within Oakland's urban park system. In other words, the area covered by park buildings or other recreational facilities in the future should be offset in the long-run by acquisition or improvement of an equivalent or larger area of open space. Replacement open space should be of comparable value to the open space lost and should generally serve an area identified as having un-met needs.

The no-net loss policy is implemented by maintaining a list of all the additions and subtractions to park land. Privately owned lands, even if they are in open space uses have not been considered "open space" for purposes of calculating the no-net loss figures.

Currently the Office of Parks and Recreation's "open space balance sheet" shows that the City has a surplus of land available for open space. Current calculations show that approximately 23 acres are available in the current balance sheet. This means that up to 23 acres of golf course could be re-designated from open space to other uses and not contravene the no-net loss policy. The City would have to make findings that are required to take the 23 acres out of the open space general plan designation.

If the City is successful in abstracting 23 acres, from one or both of the golf courses, to make available for sale to a third party, the loss of this area may affect the use, functionality and the value of the remaining area of the golf courses.

Montclair Golf Course - 2477 Monterey Blvd

Zone: OS (RCA) or 'Open Space - Resource Conservation Area' (OPC 17.11.020)
General Plan designation: Urban Open Space

Lake Chabot Municipal Golf Course - 11450 Golf Links Rd

Zone: OS (SU) or 'Open Space - Special Use Park' (OPC 17.11.020)
General Plan designation: Urban Open Space

Neither of these properties is zoned for residential development, nor does the General Plan currently support their use for residential development. Changing the permitted use in the future would require a General Plan amendment and rezoning by the City Council to allow use for residential development.

It is highly unlikely that either of these golf course properties, being both zoned and general plan-designated as 'open space,' could be changed by a future owner into a non-open space use, such as housing. The main reason is that both general plan policy and zoning requirements forbid the conversion of urban parkland into another use without a one-for-one replacement of each square foot of open space lost with replacement park space. See Zoning Code Section 17.135.060 below for the exact Code language.

17.135.060 – No-Net Loss Tracking.

- Beginning on the effective date of the OS zone regulations, the Oakland City Administrator's Office shall establish an open space tracking system. The tracking system shall be maintained in a publicly accessible format and shall be updated on a continuous basis as additions and subtractions are made to the city's park system. Beginning on the effective date of these regulations, all enclosed facilities in urban parks which exceed one hundred (100) square feet shall be tracked and recorded as "subtractions" from a baseline figure of zero. All acquisition of parkland or creation of new useable public open space shall be tracked and recorded as "additions." Only land which is improved or intended for improvement to urban park standards may be counted as "additions"; acquisition of Resource Conservation Area land is excluded. The city shall strongly encourage actions which result in a net gain of open space; in other words, a condition where the "additions" of open space in the tracking system exceed the "subtractions" resulting from new buildings and structure coverage.
 - Unless overriding considerations exist, approval of any increase in structure coverage within the OS zone shall be contingent on a finding that there has been no net loss of urban parkland from the time of the baseline date. If this finding cannot be made, approval shall be conditioned upon provision of replacement open space of comparable value and of an area equal to or greater than the space covered which shall be made available concurrently. Land within the jurisdiction of the Port of Oakland is exempt from this requirement and shall be excluded from this calculation.
3. **Title Work:** The Real Estate staff has continued to work with Old Republic Title Company and the Alameda County Recorder's Office to secure legible property transfer deeds affecting the City's ownership of the two golf courses. Based upon extensive research, the City has come up with a legible copy of the 1926 Lake Chabot Golf Course Vargas Deed for 245 acres transfer. Old Republic Title Company has committed to grant a title commitment and title insurance policy to the city that encompasses 90% of the Lake Chabot Golf Course, and the City now has possession of a preliminary boundary study plot of the Lake Chabot Golf Course. *Attachment "A"* shows a map of the area, and *Attachment "B"* provides the title company research to date.

4. **Deed Restrictions:** City Real Estate staff has contacted both EBMUD and Bank of America to see if they would relinquish their deed restriction on the golf courses.
 - a. ***EMBUD Repurchase Rights on the Lake Chabot Golf Course.*** EMBUD has indicated that they will not release or quitclaim their easement rights associated with the water pipeline now serving the golf course. EBMUD has also indicated that they may elect to purchase back the 15 acres from the City, for the price per acre they sold the property in 1961 and 1967 to the City (\$750 per acre and \$1,100 per acre), for recreational purposes and add acreage to its master lease agreement with East Bay Regional Park District which operates the Lake Chabot Recreation area on District owned property adjacent to the golf course.
 - b. ***Bank of America.*** The deed restriction on Montclair Golf Course held by Bank of America limits the 13 acre property to use for park purposes only. Real Estate staff has been working with Bank of America's corporate attorney and the Old Republic Title Company on the potential of relinquishing this park purposes-only restriction on the property. Bank of America has been very cooperative in researching the restriction and will soon make a determination regarding their liability and other corporate and legal issues concerning the termination of the deed restriction.
5. **Site Assembly for Montclair Golf Course.** On July 26, 2011 City Council approved an ordinance for the acquisition of approximately 1.5 acres from Caltrans. The City has leased this property from Caltrans since 1964. The leased property is a vital part of the golf course and allows the golf course to remain operational. See ***Attachment "C"***. The City also leases a second parcel of vacant land containing 7,900 square feet from One West Bank for \$500 per month. This property is also vital to the operation of the golf course and is presently in the foreclosure process. City staff is working with the bank to purchase the property subject to City Council approval.
6. **Existing OPR Operating/Management Agreements**

Lake Chabot Municipal Golf Course

The final extension of the Professional Services Agreement between the City of Oakland and Touchstone Golf, LLC for the operation of Lake Chabot Golf Course expired on July 30, 2011.

OPR is taking the new Chabot Golf Course agreement to the Life Enrichment Committee on September 27, 2011, requesting the extension of the existing Operating and Management Agreement with Touchstone Golf, LLC for an additional (5) five year term with one (5) five year option for extending the agreement. The proposed agreement with Touchstone includes payment of a management fee in the amount of \$8,000 per month (\$96,000 per year) for a

maximum 120 months or \$960,000 over the ten year agreement. These management fees would be paid from the revenues generated by the golf course.

Based upon OPR budget projections, it is anticipated that Touchstone would generate sufficient revenues to continue to make the course profitable after all expenses which include the management fees, netting approximately \$275,000 per year. In fiscal year 2010-2011 net income from the golf course after all expenses paid was over \$300,000.

It should be noted that City Council approved increases to the Master Fee Schedule effective July 1, 2011 for the Chabot Golf Course. See *Attachment "D"*.

Montclair Golf Course

The term of the agreement for the Master Concession Agreement between the City of Oakland and Montclair Golf Enterprises, Inc. will expire on December 31, 2028.

The Montclair Golf Course is a 9-hole (pitch and putt) course. As a result of a comprehensive Request for Proposals (RFP) process, Montclair Golf Enterprise, Inc. was selected to manage and operate Montclair Golf Course. The terms and conditions are spelled out in a Master Concession Agreement executed in June 1997, and the term of the sublease was 25 years. In 1999 the City completed a capital improvement project to repair damage to the course due to landslides. As of today, the course is in need of various repairs and upgrades at an approximate cost of \$250,000.

In 2003, the original agreement at Montclair was amended and extended for an additional 5 years in exchange for modifying the monthly rent. The concessionaire was required to install new fire hydrants, a parking lot retaining wall, driving range netting, range deck replacement, and driving range re-grading; to perform pro-shop and restaurant expansion and renovation; to install signage and lighting; and to provide a drainage system. These changes to comply with the increased maintenance standards came in exchange for a modification of the monthly rent and an extension of the agreement terms. Per the agreement, for the first 10 years (FY 2003-2013) the rent is discounted to only \$1,500 monthly or \$18,000 annually. After the 10 years, the rent reverts back to the original \$60,000 minimum annual rent payment.

7. Budget and Next Steps

To date, the Real Estate staff has exhausted all of its limited resources on investigating and developing recommendations for the subject properties. In order to move forward and explore all disposal options, and to continue investigating the potential sale of one or both

golf courses, additional resources would be required. This Preliminary Budget Estimate includes but is not limited to the following:

Phasel - Investigation and Research

<u>Service</u>	<u>Estimated Costs</u>	<u>Timeline*</u>
Legal	\$25,000	30-60 days
Appraisal	\$49,000	56-70 days
Survey Work	\$120,000	120-160 days

Total Estimate: \$194,000

Phase 2 – Marketing and Sale

Marketing	\$20,000	18 months
CEQA	\$50,000	18 months

Total Estimate: \$70,000

** City contracting procedure time line is not included in this schedule. Timeline noted above only represents the actual estimated time to complete the assignment after the City provides the Notice to Proceed.*

Appraisal, Fair Market Value, and Marketing

The Golf Course would have to be appraised by an appraiser who specializes in the valuation of golf courses. The Real Estate Division, at this time, does not have a contract with an appraiser with this specialty; however we have identified an independent MAI appraiser in the Bay Area who specializes in golf course appraisals, Mr. Martin Benson. He has submitted a proposal to appraise the two golf courses. See *Attachment "E"*.

The estimated cost for these appraisals is \$49,000. The time to complete the assignment would be eight to ten weeks. The contract appraisal assignment proposal is to complete two estimates of value for each golf course: 1) a value as a golf course "As Is," and 2) a value based upon a higher and better use. Mr. Benson has indicated that keeping the open space designation may lower the property value since the land could not be used for future development.

The disposal of these assets triggers major land use issues for the City. These special use facilities are no longer being developed within existing urban environments. Therefore, staff will depend on both in-house and contract services to explore all the options. Without the support of outside experts, the City will find it difficult to make an informed decision on the future of these assets.

The real estate market is currently in a downward cycle. These special purpose properties are geared toward a limited market. Exposure/marketing time to sell these assets is estimated to be at least 18 months in this market after all the government regulatory requirements needed to facilitate a sale, either to an independent golf course operator, or to a developer who would develop the two sites into a higher and better use. The City would have to contract with a national brokerage firm that specializes in golf course sales. Staff is working to determine who these specialty brokerage firms are. City staff would then ask for proposals, which would outline their marketing strategy, timeline and commission compensation. City Staff would then review the best proposals and then make a recommendation to the City Council.

Montclair Golf Course Updated:

Deed Restrictions:

The deed from Bank of America provides that the property is to be used for park purposes. Bank of America is presently reviewing the possibility of terminating their use restriction. Once they provide the City with their determination, the City can either move forward with appealing or accepting their decision.

Open Space, Conservation and Recreation (OSCAR)

- No net loss of open space. Presently there is approximately 23 acres in excess of the base acreage if sold for other purposes than open space use. OSCAR may impact some or all of the property sold if the property is redeveloped from its present open space use. Further research from outside counsel and planning /zoning staff is required. If the golf courses are disposed of by the City at their existing land use and remain open space via City deed restriction, then OSCAR requirements may not be an issue.

Site Assembly

- One additional parcel would need to be acquired prior to any potential sale. One West Bank owns the property which is in foreclosure. Staff is working with the bank to purchase the site.

Surplus Property Act

- Before the City can sell the properties, it must follow the Surplus Lands Act (Gov't Code 54220). The Act requires that before the City disposes of the "surplus land," it must first offer the properties to other Government or Public entities such as BART, EBMUD, East Bay Regional Park District, and housing sponsors for the purpose of developing low- and moderate-income housing. First priority would be given to the entity which agrees to use the site for park or recreational purposes, since the land being sold is

already being used for that purpose. The Public body would have 60 days to claim the asset, and would have to pay Fair Market Value to the City. If an outside Agency does not claim the asset in 60 days, the item would go to the Planning Commission to confirm the zoning on the property and recommend the disposal for the existing use. If the property were to be rezoned, the CEQA process may be required.

Existing OPR Operating/ Management Agreement

- The City has an existing Operating/Management contract agreement with an operator to run the course. The buyer may have to acquire the property subject to that existing contract agreement. The term of the agreement for the Master Concession Agreement between the City of Oakland and Montclair Golf Enterprises, Inc. will expire on December 31, 2028. Both the City Attorney and OPR need to explore termination rights under the contract.

Lake Chabot Golf Course Updated:

Deed Restrictions

- Old Republic Title Company has been working on reviewing property records for any deed restrictions on the property. The golf course was assembled by various deed transactions. The original property transaction was dated 1926 between Vargas and the City for 245 acres. After review by the Title Company of their records, they believe that the deed does not contain any deed sale restrictions, and that they would grant a Title Commitment and a Title insurance Policy for that Vargas deed transaction containing 245 acres less the EBMUD restriction acreage and other restrictions noted below; and any OSCAR "no net loss" planning requirements. There are two transactions with EBMUD that do contain deed sale restrictions on 15 acres of the property. The first deed dated 1961 restricted 3.6 acres with a \$750 per acre sell back. The second deed dated 1967 restricted 11.5 acres with a \$1,100 per acre sell back. EBMUD has stated that they will not give up their right to buy back the 15 acres at the sell back price.
- The City may then sell the 245 acres that are not affected by EBMUD and are not encumbered, subject to OSCAR, general plan and zoning requirements.
- EBMUD filed a Final Order of Condemnation in 1951 on the golf course parcel for a 10 foot wide easement for pipeline purposes. EBMUD has additional property interests on and over the property via various additional easements across the golf course for fire trail and pipeline purposes that were granted to them over the years to support the reservoir.

Open Space, Conservation and Recreation (OSCAR)

- No net loss of open space. Presently there is approximately 23 acres in excess of the base acreage if sold for other purposes than open space use. OSCAR may impact some or all of the property sold if the property is redeveloped from its present open space use. Further research from outside counsel and planning/zoning staff is required. If the golf courses are disposed of by the City at their existing land use and remain open space via City deed restriction, then OSCAR requirements may not be an issue.

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Existing OPR Operating/Management Agreement

- The City has an existing Operating/ Management contract agreement with operator to run the course. The buyer may have to acquire the property subject to that existing contract agreement. The final extension of the Professional Services Agreement between the City of Oakland and Touchstone Golf, LLC for the operation of Lake Chabot Golf Course expired on July 30, 2011. OPR is requesting to extend the existing agreement with Touchstone at the September 27, 2011 Life Enrichment Committee for an additional (5) five years, with an additional one (5) five year option to renew the agreement.

ALTA Survey and Title Insurance Policy

- Staff highly recommends that an ALTA survey showing the various deeds and easements be performed to establish what and where these encumbrances are located on the property. Any buyer, public or private, would require a survey and legal description of the property prior to sale. The survey can then be used to issue an ALTA title policy.

- Real Estate Division has received a proposal from Old Republic Land Surveyor dated April 28, 2011 to perform ALTA surveys which consist of three phases at a cost of \$120,000. The estimated time to complete the required tasks is 4-5 months.

RECOMMENDATION(S) AND RATIONALE

Staff recommends direction for further investigation, including the identification of funding should the Council direct staff to continue researching the potential sale of the properties. Resources will need to be allocated for necessary future work by the Office of the City Attorney, land use planning and zoning staff, the Office of Parks and Recreation (OPR), and Real Estate staff for review of government and building codes, OSCAR impacts, appraisals and the OPR operating and management contractual agreements, as well as assessing the impact due to the elimination of net revenues to the City. Resources would also be required for the Real Estate functions of completing the title investigation, appraisal contract costs, ALTA surveys, marketing expenses, and other legal issues associated with the sale of the properties. This will allow the Council to make an informed decision on the disposition of these subject properties. The estimated cost for these services would be in the range of \$194,000 for Phase 1 and \$70,000 for Phase 2. The time to provide these services range from five months for Phase 1 and 18 months for Phase 2. OPR should inform the Council of any adverse impacts of the sale of the assets regarding their recreation programs and on their operating and management agreements, as well as what revenue the two assets provide to City via their operation. It should be noted that both properties must undergo the Surplus Lands Act regulation screening process, to other government agencies, prior to allowing them to being offered to the general public for sale.

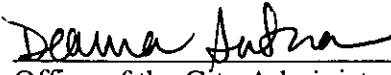
Respectfully submitted;


Walter S. Cohen, Director
Community and Economic Development Agency

Reviewed by: Gregory Hunter, Deputy Director
Economic Development and Redevelopment

Prepared by: Frank Fanelli, Manager
Real Estate Services Division

APPROVED AND FORWARDED TO
FINANCE AND MANAGEMENT COMMITTEE:


Office of the City Administrator

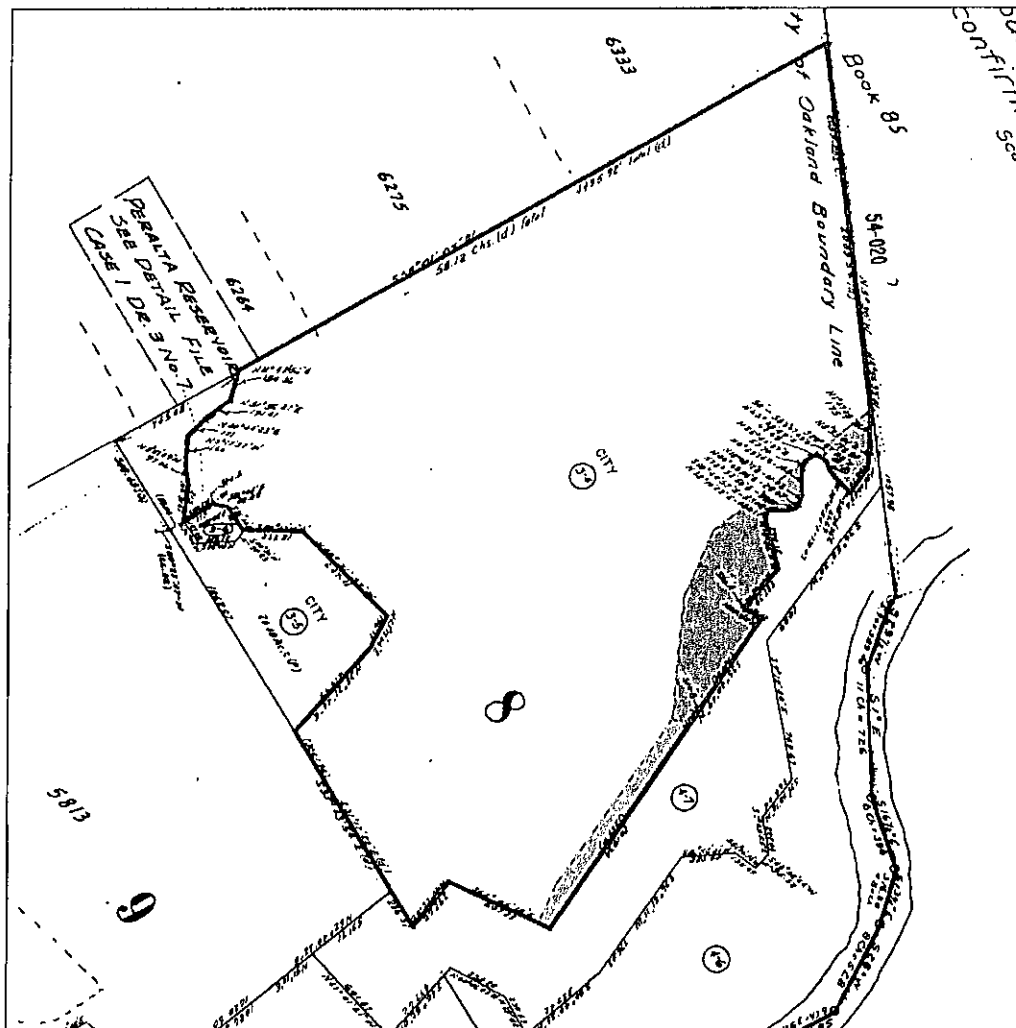
Item: _____
Finance and Management Committee
September 13, 2011

LIST OF ATTACHMENTS

- ATTACHMENT - A.....Lake Chabot Plot Map
- ATTACHMENT - B.....Old Republic Title Company
Information / Research provided to the City
- ATTACHMENT - C.....Montclair Golf Course Caltrans Ordinance
- ATTACHMENT - D.....Master Fee Schedule, July 1, 2011
- ATTACHMENT - E.....MAI Appraisal Contract Proposal

Standard Scale 1 : 1
0 1 2

ATTACHMENT - A



LEGEND



Parcel 1 (Fee, Property in question)



Parcel 3 (Fee, Property in question)



Parcel 2 (Fee, Property in question)

<p>Old Republic Title Company 1512 Eureka Road, Suite 120 Roseville, CA 95661 (916) 784-2490 Fax: (916) 771-4420</p>	<p>Title Order No. 1117010631-JM, Preliminary report dated as of April 11, 2011</p>	<p>Drawing Date: 05/06/2011</p>
<p><i>"Notice: This is neither a plat nor a survey. It is furnished merely as a convenience to aid you in locating the land indicated hereon with reference to streets and other land. No liability is assumed by reason of any reliance hereon."</i></p>	<p>Reference: LAKE CHABOT GOLF</p>	<p>Date:</p>
<p><i>NOTE: Easements depicted hereon are provided as a courtesy only and no representation is made as to the accuracy or completeness thereof. The Company assumes no liability for any loss occurring by reason of reliance thereon. It is recommended that a survey be obtained from a licensed professional to determine actual locations.</i></p>	<p>Property: 11450 Golf Links Road, Oakland, CA 94605</p>	<p>Assessor's Parcel No. 048-5813-003-04</p>
	<p>Being a portion of Tract No. 8 according to a survey of the Hill Lands of the Ygnacio Peralta Rancho, made August 29, 1871, by Luis Castro.</p>	<p>Sheet 1 of 1 Archive #</p>



OLD REPUBLIC TITLE COMPANY

A MEMBER OF THE OLD REPUBLIC TITLE INSURANCE GROUP

ATTACHMENT - B

August 9, 2011

Frank Fanelli
Manager, Real Estate Services
Community & Economic Development Agency
City of Oakland
250 Frank Ogawa Plaza
4th Floor – Real Estate
Oakland CA 94612

RE: Lake Chabot Golf Course & Montclair Golf Course

Dear Frank,

I'm sending this as a review of the information provided to the City of Oakland by Old Republic Title Company (ORTC) regarding the Montclair and Lake Chabot Golf Courses. Upon review please let me know if any additional information is required.

LAKE CHABOT GOLF COURSE

ORTC provided the following:

- *Assessor's Maps & Property Profile
- *Acquisition Deeds
 - Vargas Deed
 - EBMUD Deeds
- *Perimeter Overlays of the Lake Chabot Golf Course on Google Earth (prepared by Majors Engineering)
- *Preliminary Report for Chabot Golf Course including property acquired in the Vargas & EBMUD Deeds (1117010631)
- *Proposal from Majors Engineering for various surveys including: Phase I - Aerial Survey (Air-Serve Map)
 - Phase II - ALTA Survey & Phase III - Record of Survey

Old Republic Title is prepared to insure a purchaser for the portion of Lake Chabot Golf Course included in the "Vargas Deed" subject to matters shown in the preliminary report.

EBMUD included reversionary language in its deeds to the City of Oakland and will have to be dealt with.

Niels Povlsen
Senior Account Executive
555 12th Street, Suite 2150
Oakland, California 94607-3695
(510) 375-1521
npovlsen@ortc.com
ortc.com

MONTCLAIR GOLF COURSE

*ORTC provided the following:

*Assessors Maps & Property Profile

*Acquisition Deed

B of A Deed

*Preliminary Report for Montclair Golf Course (1117010692)

The Deed from B of A to the City of Oakland restricts the use of the property to Park Purposes.

As it stands now, a prospective purchaser would have to agree to use the property for park purposes or Bank of America would have to agree to remove that restriction,

Attorney for B of A, Laura Coran requested copies of all deed references contained in the deed to the City from B of A, which ORTC provided.

ORTC also completed a Preliminary Report for State of California CALTRANS owned property that is part of the Montclair Golf Course (1117010717)

Please let me know how ORTC can further provide assistance to the City as it reviews the feasibility of the sale of these 2 properties.

Note: Old Republic Title Company can provide the City of Oakland all the Title and Escrow services needed to transfer ownership of these 2 properties.


Yours truly,

Niels

Niels Povlsen
Senior Account Executive
555 12th Street, Suite 2150
Oakland, California 94607-3695
(510) 375-1521
npovlsen@ortc.com
ortc.com

ATTACHMENT - C

APPROVED AS TO FORM AND LEGALITY


Deputy City Attorney

OAKLAND CITY COUNCIL

ORDINANCE NO. 13089 C.M.S.

**ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO
ACQUIRE PARCEL 029A-1330-027-03 AND PARCEL 029A-1330-009-01
FOR USE AS A PART OF THE MONTCLAIR GOLF COURSE FROM THE
CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR \$25,000**

WHEREAS, California Department of Transportation ("Caltrans") acquired parcels 029A-1330-027-03 and 029A-1330-009-01 (the "Parcels") to widen Alameda Highway 237 (Warren Freeway); and

WHEREAS, the Parcels are located near the corner of Park Boulevard and Monterey Boulevard; and

WHEREAS, the total area of the Parcels is estimated at 1.5 acres; and

WHEREAS, since 1964 Caltrans has leased the Parcels to the City of Oakland for the Montclair Golf Course as an interim use; and

WHEREAS, Caltrans determined the plans to widen Warren Freeway are no longer being pursued; and

WHEREAS, Caltrans declared the Parcels excess land and offered to sell the properties to the City as a direct sale for \$25,000; and

WHEREAS, funding for the acquisition of the Parcels is from two sources: \$5,000 is available from the General Purpose Fund (1010), Emergency Contingency Reserve Organization (90611), Miscellaneous Services Account (53719), CAO Contingency Funds Project (P404410), and \$20,000 is available from the Telecommunications Land Use Fund (1770), Real Estate Organization (88639), Land Fixed Asset Number Account (57116), Undetermined Project (0000000); and

WHEREAS, the sale of the Parcels is subject to the approval of the California Transportation Commission; now, therefore

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

Section 1. The City Council hereby authorizes the City to acquire the Parcels for a purchase price of \$25,000.

Section 2. The City Council agrees, in accordance with Caltrans Right of Way Excess Land Policy, Section 16.05.09.02, to utilize the Parcels for public use.

Section 3. The City Council agrees that the Parcels will continue to be utilized as part of

Montclair Golf Course, a municipal golf course.

Section 4. The City Administrator, or his designee, is authorized to negotiate and execute all real estate documents required to acquire the property rights for the Parcels.

Section 4. The requirements of CEQA, the CEQA Guidelines as prescribed by the Secretary for Resources, and the provisions of the Environmental Review Regulations of the City of Oakland have been met because this transaction is exempt from CEQA under section 15312 (sale of surplus government property) and section 15325 (Transfers of Land to Preserve Existing Natural Conditions) of the CEQA Guidelines.

Section 5. This Ordinance shall become effective immediately upon final adoption if it receives six or more affirmative votes; otherwise, it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, JUL 26 2011

PASSED BY THE FOLLOWING VOTE:

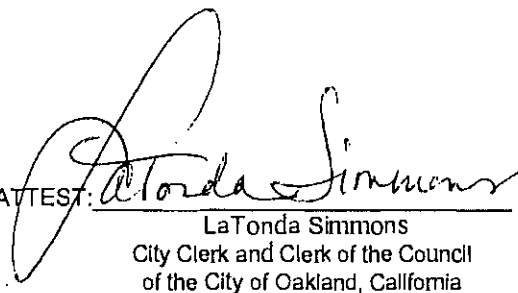
AYES- BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF, and PRESIDENT

REID - 8

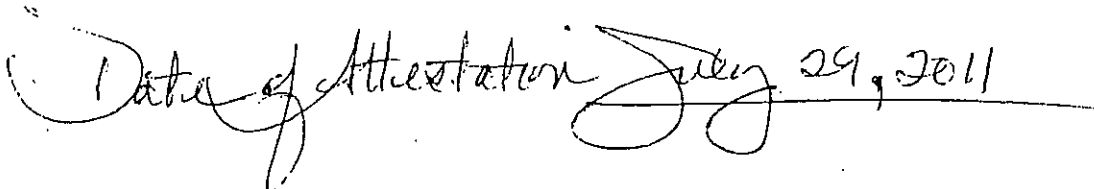
NOES - 0

ABSENT - 0

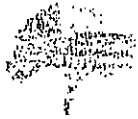
ABSTENTION - 0

ATTEST: 
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

Introduction Date JUL 19 2011


Date of Attestation July 29, 2011

ATTACHMENT - D



City of Oakland
Master Fee Schedule
Effective July 1, 2011

PARKS AND RECREATION

FEE DESCRIPTION	CURRENT FEE (FY 2010-11)		PROPOSED FEE (FY 2011-12)		% CHANGE
	FEE	UNIT	FEE	UNIT	
D. TENNIS					
1 Court Reservations					
a. Daves Tennis Stadium					
1 Adult (residents 16 years and older) Daylight hours	7.00	Court / Hour	10.00	Court / Hour	42.85%
2 Adult (residents 16 years and older) Nighttime Hours	7.00	Court / Hour	12.00	Court / Hour	71.43%
3 Adult (non-residents 16 years and older) Daylight Hours	8.00	Court / Hour	12.00	Court / Hour	50.00%
4 Adult (non-residents 16 years and older) Nighttime Hours	8.00	Court / Hour	14.00	Court / Hour	75.00%
5 Senior Citizen	6.00	Court / Hour	8.00	Court / Hour	33.33%
6 Special Use of Club House for Leagues/Tournaments/Related Activities/Special Use (resident)	75.00	Two Hour Sessions	75.00	One Hour Session	0.00%
7 Special Use of Club House for Leagues/Tournaments/Related Activities/Special Use (non-resident)	90.00	Two Hour Sessions	75.00	One Hour Session	-16.67%
8 Private Tennis Lessons					
a. 30 Minutes	20.00-35.00	Person / Session	20.00-45.00	Person / Session	28.57%
b. Hour - Individual	35.00-60.00	Person / Session	35.00-75.00	Person / Session	25.00%
9 Private Lessons - Hour - Group Lessons	8.00-35.00	Person / Session	8.00-45.00	Person / Session	50.00%
b. All Other Tennis Courts					
1 All other Tennis Courts - Everyday	5.00	Court / Hour	8.00	Court / Hour	60.00%
2 Special Use/Leagues/Tournament Rentals	30.00	Rental Plus Court Fee	45.00	Rental Plus Court Fee	50.00%
E. GOLF					
1 Chabot Golf Course General Admission					
a. Standard Eighteen-Hole Course					
1 Monday - Thursday, Before 2:00 p.m.					
a. Resident	24.00	Person / Round	25.00	Person / Session	4.17%
b. Nonresidents (Monday-Thursday Only)	29.00	Person / Round	30.00	Person / Session	3.45%
2 Monday - Friday, After 2 p.m.					
a. Resident	15.00	Person / Round	16.00	Person / Session	6.67%
b. Nonresidents (Monday-Thursday Only)	10.00	Person / Round	19.00	Person / Session	5.56%
3 Monday - Friday, Senior (Over 60)					
b. Nonresidents (Monday-Thursday Only)	17.00	Person / Round	18.00	Person / Session	5.88%
4 Monday - Friday, After 1 pm, Resident Youth (Under 19 Years)	5.00	Person / Round	6.00	Person / Round	20.00%
5 Saturday, Sunday or Holiday, After 2:00 pm					
a. Resident	20.00	Person / Round	21.00	Person / Session	5.00%
b. Nonresidents	30.00	Person / Round	31.00	Person / Session	3.33%
6 Saturday, Sunday or Holiday, Before 2:00 pm					
a. Resident	32.00	Person / Round	33.00	Person / Session	3.13%
b. Nonresidents	39.00	Person / Round	40.00	Person / Session	2.56%

NOTE
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City of Oakland
Master Fee Schedule
Effective July 1, 2011

PARKS AND RECREATION

FEE DESCRIPTION	CURRENT FEE (FY 2010-11)		PROPOSED FEE (FY 2011-12)		% CHANGE
	FEE	UNIT	FEE	UNIT	
E. GOLF					
1 Chabot Golf Course General Admission					
a. Standard Eighteen-Hole Course					
7 "Super Twilight" Everyday, not more than 3 hours before official sunset time					
b. Nonresidents	10.00	Person / Round	11.00	Person / Session	10.00%
b. Nine-Hole Course					
1 Adult (Any Day, Including Holidays)					
b. Nonresidents	9.00	Person / Round	10.00	Person / Session	11.11%
2 Youth (Under 19 Years)	4.00	Person /	5.00	Person	25.00%
c. Tournaments					
1 Monday - Sunday (Includes green fees and cart fees)	25.00-53.00	Person	25.00- 65.00	Person / Session	22.64%
2 Chabot Golf Course Miscellaneous					
a. Golf Carts					
1 Single Rider	14.00	Person /	15.00	Person	7.14%
2 Super Twilight and Promotional Cart Fee	9.00	Person /	10.00	Person	11.11%
b. Driving Range					
1 Bucket of Balls					
h. Large	7.00	Bucket	12.00	Bucket	71.43%
G. Sports					
1 Team Sports Registration Fee	NEW		100.00- Team 400.00		NEW
2 Participant Sports Registration Fee	NEW		15.00- Participant 100.00		NEW
H. East Oakland Sports Center					
1 Admission - Resident					
a. Annual Pass - Adult	NEW		495.00	Annual	NEW
b. Annual Pass - Senior	NEW		360.00	Annual	NEW
c. Annual Pass - Teen	NEW		225.00	Annual	NEW
d. Annual Pass - Youth	NEW		135.00	Annual	NEW
2 Admission - Non-Resident					
a. Annual Pass - Adult	NEW		594.00	Annual	NEW
b. Annual Pass - Senior	NEW		432.00	Annual	NEW
c. Annual Pass - Teen	NEW		270.00	Annual	NEW
d. Annual Pass - Youth	NEW		162.00	Annual	NEW
3 Admission - Resident					
a. Monthly Pass - Adult	NEW		55.00	Monthly	NEW
b. Monthly Pass - Senior	NEW		40.00	Monthly	NEW
c. Monthly Pass - Teen	NEW		25.00	Monthly	NEW
d. Monthly Pass - Youth	NEW		15.00	Monthly	NEW
4 Admission - Non-Resident					
a. Monthly Pass - Adult	NEW		66.00	Monthly	NEW
b. Monthly Pass - Senior	NEW		48.00	Monthly	NEW
c. Monthly Pass - Teen	NEW		30.00	Monthly	NEW
d. Monthly Pass - Youth	NEW		18.00	Monthly	NEW
5 Admission - Resident					
a. Single Admission - Adult	NEW		8.00	Admission	NEW
b. Single Admission - Senior	NEW		6.00	Admission	NEW
c. Single Admission - Teen	NEW		3.00	Admission	NEW
d. Single Admission - Youth	NEW		3.00	Admission	NEW

ATTACHMENT - E

Fanelli, Frank

From: bensonmai@comcast.net
Sent: Thursday, August 11, 2011 1:28 PM
To: Fanelli, Frank
Co: poverton@yovino.com
Subject: Appraisal Proposal for Golf Courses

Frank,

it is a pleasure to provide the following preliminary proposal for an appraisal services for the Montclair and Lake Chabot Golf Courses.

As discussed, I would appraise the property for both golf use, and an alternate use (to be mutually established between the appraiser and your office), under the hypothetical assumption that such alternate use has all required legal approvals for such use.

I propose to include the firm of Yovino-Young, Inc., in this assignment. They would appraise the property for non-golf use, with the results communicated in a separate summary appraisal report. I would appraise the property for golf use, and rely on the Yovino-Young appraisal for the other alternate use. My report would present both values, and include the Yovino-Young appraisal and report by reference.

This proposal assumes that the appraisers will be provided with a legal description of the property, and all pertinent operating information for the property (including financial statements, rounds played, greens fee pricing, etc.) from both the city and the operators. The following proposal is also subject to us entering into a mutually agreeable appraisal contract prior to engagement.

Based on the above, the fee for the appraisal of Montclair Golf Course would be \$20,000, and for Lake Chabot it would be \$29,000 (with both prices including the value for both golf and an alternate use under a hypothetical condition for such use). The expected completion date for either appraisal is 8 to 10 weeks from your approval to proceed.

Please let me know of any questions.

We would welcome the opportunity to work with your office on this interesting assignment, and thank you for your consideration.

Respectfully submitted,

Martin Benson, MAI, SGA
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Corte Madera, CA 94925
415/927-7442 (voice direct)
415/924-8484 (fax)
bensonmai@comcast.net

8/11/2011